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NOTIFICATIONS BY GOVERNMENT

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REVENUE DEPARTMENT

(Commercial Taxes-II)

CHANGES TO RATES OF TAX OF CERTAIN SERVICES

[G.O.Ms.No.552, Revenue (Commercial Taxes-II), 16th November, 2017.]

NOTIFICATION

In exercise of the powers conferred by sub-section (1) of Section 9, sub-section (1) of Section 11, sub-section (5) of Section 15 and sub-section (1) of Section 16 of the Andhra Pradesh Goods and Services Tax Act, 2017 (16 of 2017), the Government, on the recommendations of the Goods and Services Tax Council, and on being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments to the rates of Tax of certain services notified in G.O.Ms.No.259, Revenue (Commercial Taxes-II), 29th June, 2017 and the subsequent corrigendum issued in G.O.Ms.No.551, Revenue (CT-II) Dept., Dt.16-11-2017 and as subsequently amended from time to time, namely:-

This notification shall come into force with effect on and from 13th October, 2017.

AMENDMENTS

In the said notification,

(1) in the Table, -

(A) against serial number 3, -

(a) in item (iii), in column (3), for the words "Government, a local authority or a Governmental authority", the words "Central Government, State Government, Union territory, a local authority, a Governmental Authority or a Government Entity" shall be substituted;

(b) in item (vi), in column (3), for the words "a local authority or a Governmental authority" the words "a local authority, a Governmental Authority or a Government Entity" shall be substituted;

(c) in items (iii) and (vi), in column (5), for the existing entry, the following entry shall be substituted, namely: -

"Provided that where the services are supplied to a Government Entity, they should have been procured by the said entity in relation to a work entrusted to it by the Central Government, State Government, Union territory or local authority, as the case may be";

(d) for item (vii), in columns (3), (4) and (5)and the entries relating thereto, the following shall be substituted, namely: -

(3)	(4)	(5)
"(vii)Composite supply of works contract as defined in clause (119) of section 2 of the Andhra Pradesh Goods and Services Tax Act, 2017, involving predominantly earth work (that is, constituting more than 75per cent. of the value of the works contract) provided to the Central Government, State Government, Union territory, local authority, a Governmental Authority or a Government Entity.	2.5	Provided that where the services are supplied to a Government Entity, they should have been procured by the said entity in relation to a work entrusted to it by the Central Government, State Government, Union territory or local authority, as the case may be
(viii) Composite supply of works contract as defined in clause (119) of section 2 of the Andhra Pradesh Goods and Services Tax Act, 2017 and associated services, in respect of offshore works contract relating to oil and gas exploration and production (E&P) in the offshore area beyond 12 nautical miles from the nearest point of the appropriate base line.	6	-
(ix) Construction services other than (i), (ii), (iii), (iv), (v), (vi), (vii)and (viii) above.	9	-";

(B) against serial number 8, in item (ii), in column (5), for the word "or" the word "and" shall be substituted.

(C) against serial number 8, for item (vi), in columns (3), (4) and (5)and the expressions relating thereto, the following expressions shall be substituted, namely: -

(3)	(4)	(5)
"(vi) Transport of passengers by any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient.	2.5	Provided that credit of input tax charged on goods and services used in supplying the service, other than the input tax credit of input service in the same line of business (i.e. service procured from another service provider of transporting passengers in a motor vehicle or renting of a motor vehicle), has not been taken. [Please refer to *Explanation* no. (iv)]
	or	
	6	-";

(D) against serial number 9, for item (v), in columns (3), (4) and (5)and the expressions relating thereto, the following expressions shall be substituted, namely: -

(3)	(4)	(5)
"(v) Transportation of natural gas through pipeline	2.5	Provided that credit of input tax charged on goods and services used in supplying the service has not been taken [Please refer to *Explanation* no. (iv)]
	or	
	6	-
(vi) Goods transport services other than (i), (ii), (iii), (iv) and (v) above	9	-";

(E) against serial number 10, for item (i), in columns (3), (4) and (5)and the expressions relating thereto, the following expressions shall be substituted, namely: -

(3)	(4)	(5)
"(i) Renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient.	2.5	Provided that credit of input tax charged on goods and services used in supplying the service, other than the input tax credit of input service in the same line of business (i.e. service procured from another service provider of transporting passengers in a motor vehicle or renting of a motor vehicle) has not been taken. [Please refer to *Explanation* no. (iv)]
	or	
	6	-";

(F) against serial number 15, for item (v), in columns (3), (4) and (5)and the expressions relating thereto, the following expressions shall be inserted, namely: -

(3)	(4)	(5)
"(v) Leasing of motor vehicles purchased and leased prior to 1st July 2017;	65 per cent.of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Note:- Nothing contained in this entry shall apply on or after 1st July, 2020.	-
(vi) Financial and related services other than (i), (ii), (iii), (iv), and (v) above.	9	-";

(G) against serial number 17, for item (vi) in column (3), (4) and (5), the expressions relating thereto in columns (3), (4) and (5), the following expressions shall be substituted, namely: -

(3)	(4)	(5)
"(vi) Leasing of motor vehicles purchased and leased prior to 1st July 2017;	65 percent of the rate of central tax as applicable on supply of like goods involving transfer of title in goods. Note:- Nothing contained in this entry shall apply on or after 1st July, 2020.	-
(vii) Leasing or rental services, with or without operator, other than (i), (ii), (iii), (iv), (v) and (vi) above.	Same rate of central tax as applicable on supply of like goods involving transfer of title in goods	-";

(H) against serial number 26,in column (3), -

(i) in item (i), for sub-item (c), the following sub-item shall be substituted, namely: -
"(c) all products falling under Chapter 71 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975);";

(ii) in item (i),after sub-item (d), the following sub-item shall be inserted, namely: -
"(da) printing of all goods falling under Chapter 48 or 49, which attract SGST @ 2.5per cent. or Nil;"

(iii) in item (i), after sub-item (e), the following sub-items shall be inserted, namely: -

"(f) all food and food products falling under Chapters 1 to 22 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975);

(g) all products falling under Chapter 23 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975), except dog and cat food put up for retail sale falling under tariff item 23091000 of the said Chapter;

(h) manufacture of clay bricks falling under tariff item 69010010 in the First Schedule to the Customs Tariff Act, 1975 (51of 1975);";

(iv) after item (i), in columns (3), (4) and (5)and the entries relating thereto, the following figures and expressions shall be inserted, namely: -

(3)	4)	5)
"(ia)Services by way of job work in relation to- (a) manufacture of umbrella; (b) printing of all goods falling under Chapter 48 or 49, which attract SGST @ 6per cent.		";

(v) in item (ii), after sub-item (b), the following sub-item shall be inserted, namely: -
"(c) printing of all goods falling under Chapter 48 or 49, which attract CGST @ 2.5 per cent or Nil.";

(vi) after item (ii), in columns (3), (4) and (5)in column (3) and the entries relating thereto, the following shall be inserted, namely: -

(3)	4)	5)
"(iia) Services by way of any treatment or process on goods belonging to another person, in relation to printing of all goods falling under Chapter 48 or 49, which attract SGST @ 6per cent.		";

(vii) in item (iii), for the word, brackets and figures "and (ii)" the figures, brackets, letters and word ", (ia), (ii) and (iia)" shall be substituted;

(I) against serial number 27, for item (i), in columns (3), (4) and (5)and the entries relating thereto in, the following expressions shall be substituted, namely: -

(3)	(4)	(5)
(i) Services by way of printing of all goods falling under Chapter 48 or 49 [including newspapers, books (including Braille books), journals and periodicals], which attract SGST @ 6 per cent.or 2.5per cent.or Nil, where only content is supplied by the publisher and the physical inputs including paper used for printing belong to the printer.	6	-";

(J) in paragraph 2, for the words, brackets and figures "at item (i)", the words, brackets, figures and letters, "at item (i), item (iv) [sub-item (b), sub-item (c) and sub-item (d)], item (v) [sub-item (b), sub-item (c) and sub-item (d)], item (vi) [sub-item (c)]" shall be substituted;

(K) in paragraph 4, after clause (viii), the following clause shall be inserted, namely: -

"(ix) "Governmental Authority" means an authority or a board or any other body, -

(i) set up by an Act of Parliament or a State Legislature; or

(ii) established by any Government,

with 90per cent. or more participation by way of equity or control, to carry out any function entrusted to a Municipality under article 243 W of the Constitution or to a Panchayat under article 243 G of the Constitution.

(x) "Government Entity" means an authority or a board or any other body including a society, trust, corporation,

i) set up by an Act of Parliament or State Legislature; or

ii) established by any Government, with 90per cent. or more participation by way of equity or control, to carry out a function entrusted by the Central Government, State Government, Union Territory or a local authority.".

Dr. D. SAMBASIVA RAO,
Special Chief Secretary to Government.

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